

## Introduction

Scotmid Society has had a long-standing policy not to engage in aggressive tax avoidance schemes and to pay the correct amount of tax appropriate to our operations. This review of our policy seeks to reaffirm the existing policy by including specific details that confirm our long-standing approach to taxation and a policy that is similar to the other independent Societies that have achieved the Fair Tax Mark.

## Taxation Policy

Scotmid's policy is to ensure that we pay the taxes the Society is due to pay and should not engage in aggressive tax avoidance schemes, even if legal. This tax policy is in-line with the Society's values and principles and provides a clear statement to our members and other stakeholders of our commitment to be responsible participants in society.

Scotmid fulfils this commitment to pay the appropriate taxes by seeking to pay the right amount of tax (but no more), at the right rate, in the right place and at the right time. We aim to do this by ensuring that we report our tax affairs in ways which reflect the economic reality of the transactions we actually undertake in the course of our trade.

What we will not ever do is seek to use those options made available in tax law or the allowances and reliefs that it provides in ways that are contrary to the spirit of the law. Nor will we undertake specific transactions with the sole or main aim of securing tax advantages that would otherwise not be available to us based on the reality of the trade that we undertake. As a result the Society will not undertake transactions that would require notification to HM Revenue & Customs under the Disclosure of Tax Avoidance Schemes Regulations or participate in any arrangements to which it might be reasonably anticipated that the UK's General Anti-Abuse Rule might apply. The Society does not use tax havens to reduce, delay or avoid tax charges; nor does it take advantage of any financial securities that many such jurisdictions provide for transactions recorded within them.

Our accounts will be prepared in compliance with this policy and will seek to provide all the information that users, including HM Revenue & Customs, might need to properly appraise our tax position.

The Chief Financial Officer is responsible for overseeing the application of this policy.

The Board will review this policy triennially to ensure that it is complied with.

Approved by the Scotmid Board: 19 October 2023